

CHALOS, O'CONNOR & DUFFY, LLP
Attorneys for Defendant,
Agrocorp International Pte. Ltd.
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Port Washington, New York 110050
Telephone: 516-767-3600
Telefax: 516-767-3605
Owen F. Duffy (OD-3144)
George E. Murray (GM-4172)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----x
PRESTIGIOUS SHIPPING CO. LTD., :
: :
: Plaintiff, : 07 CV 7101 (CM)
: :
: - against - :
: :
: AGROCOP INTERNATIONAL PTE. LTD., :
: :
: :
: Defendant. :
-----x

**REPLY MEMORANDUM OF LAW
IN SUPPORT OF MOTION TO VACATE
PROCESS OF MARITIME ATTACHMENT AND DISMISS THE ACTION**

PRELIMINARY STATEMENT

This Reply Memorandum of Law is submitted on behalf of the Defendant, AGROCORP INTERNATIONAL PTE. LTD. (hereinafter "Agrocorp"), in support of the Defendant's application, pursuant to F.R.C.P. Supplemental Rule E (4) (f), to Vacate the Process of Maritime Attachment and Garnishment issued by this Court on or about August 9, 2007.

THE FACTS

The facts pertaining to the instant Motion to Vacate the Process of Maritime Attachment and Garnishment and Dismiss the Complaint are more fully set forth in the accompanying Attorney's Affidavit of Owen F. Duffy, dated August 30, 2007, in support of the Motion. Rather than restate the facts fully herein, this Memorandum of Law will make reference to, and will discuss as appropriate, the facts set forth the accompanying Attorney's Affidavit. Citation to the Affidavit will refer to "Duffy Affidavit at ¶ -."

LEGAL ARGUMENT**POINT I**

**THE ATTACHMENT SHOULD BE VACATED
IN ACCORDANCE WITH THIS COURT'S EQUITABLE DISCRETION
AS APPROVED BY THE COURT OF APPEALS FOR THE SECOND CIRCUIT**

As a preliminary matter, it must be emphasized that the Plaintiff Prestigious mischaracterizes the argument made by the Defendant Agrocorp. In its Memorandum of Law in Opposition to the Motion to Vacate, the Plaintiff states: "In short, Agrocorp argues that it is a significant company and that Prestigious can satisfy an arbitral award in Singapore." *See*, Memorandum of Law in Opposition to Motion to Vacate at page 6. That is a valid point, but it is not the argument presented by the Defendant Agrocorp. On the contrary, the Defendant Agrocorp maintains that the Plaintiff is not entitled to the extraordinary exception to the general rule against pre-judgment security where normal civil proceedings are readily available and that view has been endorsed by the Court of Appeals for the Second Circuit. *Aqua Stoli Shipping Ltd. v. Gardiner Smith Pty Ltd.*, 460 F. 3d 434, 445 (2d Cir. 2006).

A secondary point that needs to be emphasized in response to the Plaintiff's Opposition is that nowhere in its Opposition does the Plaintiff seriously claim or argue that it is not located in Singapore, where the Defendant, Agrocorp is located. In point of fact, the Plaintiff Prestigious Shipping is located in Singapore, and the point is more than established by the fact that Plaintiff Prestigious Shipping has, throughout the course of the dispute, been represented by attorneys in Singapore. *See*, Duffy Affidavit at ¶17, Exhibit 5, the Plaintiff's points of claim in the English arbitration were filed by solicitors for the claimants, M/S Joseph Tan Jude Benny, which is a law firm located in Singapore. *See*, Exhibit 1, hereto, copies of correspondence from Joseph Tan Jude Benny of Singapore. Furthermore, the parties were planning to meet in Singapore. *See*, Exhibit 1, hereto, copies of correspondence from Joseph

Tan Jude Benny of Singapore. Accordingly, the Plaintiff Prestigious has no credible argument that it is not located in Singapore.

In this regard, sum and substance of the Plaintiff's Opposition to the equitable grounds for vacatur as set forth in Aqua Stoli rests with the small point that the Aqua Stoli equitable grounds are only applicable when the Plaintiff and Defendant are in the same U.S. federal judicial district and not a foreign jurisdiction. The Plaintiff is unable to cite any decision in support of its case; whereas, the Defendant has demonstrated that the artificial limitation seeking to be imposed by the Plaintiff Prestigious has been rejected in another case. See, OGI Oceangate Transportation Co., Ltd. v. R.P. Logistics Pvt. Ltd., 2007 U.S. Dist. LEXIS 46841 (S.D.N.Y. June 21, 2007)(In the only post Aqua Stoli decision to address the issue, Judge Sweet vacated an attachment, in part, because the plaintiff and defendant were both present in Kolkata, India.). Simply put, the defendant's presence in a convenient jurisdiction or the same jurisdiction as the plaintiff, i.e. *normal civil proceedings are readily available*, vitiates the plaintiff's entitlement to the extraordinary and unique exception to the general rule that a plaintiff may not have security for a claim until the claim is established and reduced to judgment.

Apart from that, the Plaintiff's argument is tortured and illogical. While there is a difference between a district in the United States and a district in a foreign nation, it is not relevant to the case at hand. This is made clear by Judge Walker's wording in Aqua Stoli wherein he refers to a defendant being "present in a convenient adjacent jurisdiction" at one point, but later discusses an "adjacent district." *Compare*, 460 F.3d at 436 (emphasis added) and 460 F.3d at 444 (emphasis added). The salient point is that jurisdiction exists elsewhere but that the plaintiff is attempting an end-run around the system to attach funds in the Southern District of New York rather than using the judicial resources where the action should most

reasonably be heard. This leads to the absurd result that a Plaintiff from Singapore, who has agreed to arbitration in London seeks to come to the United States to obtain *quasi in rem* jurisdiction and/or security pursuant to the U.S. Rule B attachment procedure to secure its claim against a Defendant from Singapore there is no other tangible connection with the United States other than that the Defendant allegedly makes and receives payments in U.S. dollars that are processed electronically in New York by intermediary banks. As Judge Sweet recognized, EFT payments may be fair game for a Rule B attachment, but not in circumstances like this when the Court of Appeals has articulated that an attachment would be properly vacated "if the plaintiff and defendant are both present in the same jurisdiction and would be subject to jurisdiction there, but the plaintiff goes to attach the defendant's assets." OGI Oceangate v. RP Logistics Pvt. Ltd., 2007 U.S. Dist. LEXIS 46841 * 16 (S.D.N.Y. June 21, 2007).

CONCLUSION

For all the reasons set forth herein, and consistent with the direction of the Court of Appeals for the Second Circuit, there is no viable or compelling reason why the Plaintiff, Prestigious Shipping, should be entitled to make use of the extraordinary remedy of pre-judgment attachment pursuant to Rule B in a situation where the parties have agreed to arbitrate in London and the Plaintiff can easily obtain jurisdiction over the Defendant in Singapore to enforce any potential arbitration award. Accordingly, the Court should vacate the Process of Maritime Attachment and Garnishment, dismiss the Complaint and enter an Order directing any all garnishees named in the Process of Attachment to release any funds that have been restrained and to, otherwise, cease and desist from restraining any further EFTs in accordance with the Process of Maritime Attachment and Garnishment.

Dated: Port Washington, New York
September 4, 2007

Respectfully submitted,
CHALOS O'CONNOR & DUFFY
Attorneys for Defendant,
AGROCORP INTERNATIONAL PTE. LTD.

By:



Owen F. Duffy (OD-3144)
George E. Murray (GM-4172)
366 Main Street
Port Washington, New York
11050
Tel: 516-767-3600
Telefax: 516-767-3605
Email: ofd@codus-law.com

To: Via ECF
Waesche, Sheinbaum & O'Regan, P.C.
Attorneys for the Plaintiff,
PRESTIGIOUS SHIPPING CO. LTD.
111 Broadway, 4th Floor
New York, NY 10006

Attn: John R. Foster, Esq

EXHIBIT 1

Your Reference :
 Our Reference : 2006155418JB/SA/hh

22nd August 2006

BY HAND



Partners
 Dato' Jude P. Benny
 Danny Chua
 Mabel Tan
 Kang Kim Yong
 Kenneth Lie
 Tan Hui Tsing
 Gerald Yee
 K. Murali Pan

Consultant
 Joseph Tan

Associates
 Adam Abdur Rahim
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 Angela Yap
 Sue Ann Gan
 Joycelyn Liu

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Jakarta
 Associated Firm
 Hadromi & Partners
 Fax No. 62-21-5210095
 Email: info.jakarta@jtb.com

AGROCORP INTERNATIONAL PTE LTD

133 New Bridge Road
 #22-01/02
 Chinatown Point
 Singapore 059413

Dear Sirs,

**M.V. "PRESTIGIOUS" NOW KNOWN AS "VICTORY 2"
 CHARTERPARTY DATED 21st FEBRUARY 2005
 WITH ADDITIONAL CLAUSES**

We act for Messrs Prestigious Shipping Co. Ltd.

We are instructed that a charterparty on Sugar Charter Party 1999 form with additional clauses dated 21st February 2005 was entered into between Messrs Prestigious Shipping Co. Ltd and Messrs Agrocorp International Pte Ltd.

We note that clauses 31 and 53 of the Charterparty provides for all disputes arising out of this contract to be referred to arbitration in London and applying English law. As both parties to this Charterparty are incorporated in Singapore, please let us know if you are agreeable to clauses 31 and 53 to be amended to refer all disputes to Singapore jurisdiction but maintaining the application of English law.

We propose the following amendment:-

- i. This Charterparty shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Charterparty shall be referred to arbitration in Singapore.
- ii. All and any dispute arising out of or in connection with this Charterparty, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration at the Singapore Chamber of Maritime Arbitration ("SCMA") in accordance with the Arbitration Rules of the SCMA ("SCMA Rules") for the time being in force at the commencement of the arbitration, which rules are deemed to be incorporated by reference in this clause.
- iii. Where the aggregate amount of the claim and/or counterclaim in dispute is less than USD75,000.00 or is unlikely to exceed USD75,000.00, the expedited procedure set out in the SCMA Small Claims Procedure shall apply. The SCMA Small Claims

Joseph Tan Jude Benny

5 Shenton Way #35-01 UIC Building Singapore 068808 Tel (65) 6220 9388 Fax (65) 6225 7827

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22 August 2006

Procedure may also apply to any claim in excess of USD75,000.00 if the parties agree in writing that the claim shall be dealt with under the SCMA Small Claims Procedure.

We enclose herewith the SCMA Brochure enclosing the Rules, Panel of Arbitrators and Schedule of Fees for your information and records,

Please let us have your confirmation on the aforesaid within seven (7) days hereof.

Yours faithfully,



Gerald Yee / Sue Ann Gan

DID No. 6324 0232 / 6220 9388

Email: geraldyee@jib.com / sueanngan@jib.com

Enc

cc clients

Joseph Tan Jude Benny

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email: mail@hhp.com.sg

FACSIMILE

To : Joseph Tan Jude Benny (Fax: 62257827)	Date : 29 August 2006
Attention : Mr Gerard Yee/Sue Ann Gan	From : R Srivathsan
Your Ref : 2006155418JB/SA/hh	Our Ref : RS/47527/2005/sz
Cc : Clients	Total Pages : 1 (including this page)

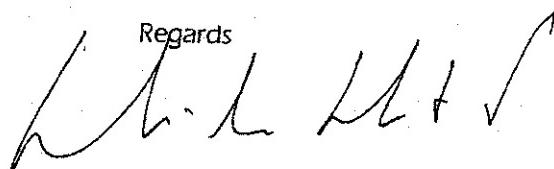
MV PRESTIGIOUS NOW KNOWN AS MV VICTORY 2

We act for M/s Agrocorp International Pte Ltd.

We refer to your letter dated 22nd August 2006.

We are instructed to inform you that our clients do not agree with your proposal to change the venue of arbitration to Singapore.

Regards



R Srivathsan
Writer's DID: 62301180
Writer's Email: srivathsan@hhp.com.sg

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Your Reference :
Our Reference : 2006155418JB/GY/SA/hh

21 September 2006

**By Fax & Hand
(Fax No. 6534 1426)**

AGROCORP INTERNATIONAL PTE LTD
133 New Bridge Road
#22-01/02
Chinatown Point
Singapore 059413

Dear Sirs,

**M.V. "PRESTIGIOUS" NOW KNOWN AS "VICTORY 2"
CHARTERPARTY DATED 21st FEBRUARY 2005
WITH ADDITIONAL CLAUSES**

NOTICE OF ARBITRATION

- (1) We act for M/s Prestigious Shipping Co Ltd, the owners of the ship or vessel "PRESTIGIOUS" now known as "VICTORY 2" (the "Vessel").
- (2) Pursuant to a charterparty on Sugar Charter Party 1999 form with additional clauses dated 21st February 2005 between our clients and M/s Agrocorp International Pte Ltd (the "Charterparty") and Bills of Lading No. S-1 – S-23 dated 10th April 2005 (the "Bills of Lading"), a cargo of 430 bagged rice of sugar, weighing a total of some 21,500.000 MT (the "Cargo") was loaded onboard the Vessel and shipped for carriage from Santos to Chittagong in or about 15th April 2005.
- (3) The Vessel was at all material times in the registered ownership of our clients.
- (4) The Bills of Lading incorporate the terms of the Charterparty including the Law and Arbitration Clause.
- (5) Disputes and differences having arisen between the parties.
- (6) The arbitration agreement pursuant to Clauses 31 and 53 of the Charterparty provide that that all disputes from time to time arising out of, or in connection with, this Charterparty shall be referred to arbitration in London pursuant to the London Maritime Arbitrators Association and governed by English law.



Partners
Dato' Jude P. Benny
Danny Chua
Mabel Tan
Kang Kim Yong
Kenneth Lie
Tan Hui Tsing
Gerald Yee
K. Murali Pany

Consultant
Joseph Tan

Associates
Adam Abdur Rahim
Chow Sy Hann
John Sze
Kenneth Ho
Cheryl Tan
Michelle Yong
Angela Yap
Sue Ann Gan
Joycelyn Liu

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- (7) The said arbitration clauses also provide that unless the parties agree forthwith on a single arbitrator, be referred to the final arbitrament of two arbitrators, one to be appointed by each of the parties, with power of such arbitrators to appoint an umpire.
- (8) Unless otherwise agreed, we propose a sole arbitrator to take conduct of the said arbitration proceedings.

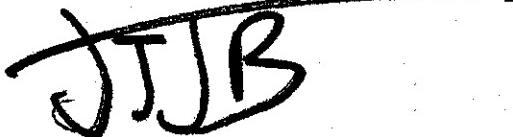
TAKE NOTICE that on behalf of Messrs Prestigious Shipping Co. Ltd. (hereinafter referred to as "the Claimants"), we have appointed to be the sole arbitrator Mr. Clive Aston, whose details are set out as follows:-

Mr. Clive Aston
30 Hobbs Court
2 Jacob Street
London, SE1 2BG
Telephone: (44) 20 7064 1622
Facsimile: (44) 20 7064 1633
Email: cliveaston@cliveaston.com

Should you not agree to our proposal of a sole arbitrator, we shall on our part appoint Mr. Clive Aston and hereby require you within fourteen (14) clear days after the service of this notice to appoint an arbitrator.

Or, if you fail to appoint an arbitrator, we or our appointed attorneys shall apply to the English High Court to compel arbitration and/or for the court to appoint an arbitrator on your behalf.

Yours faithfully,



Gerald Yee / Sue Ann Gan
Email: geraldyee@jtb.com / sueann gan@jtb.com

cc clients

Joseph Tan Jude Benny

5 Shenton Way #35-01 UIC Building Singapore 068808 Tel (65) 6220 9388 Fax (65) 6225 7827

Email: jtb@sinanet.com.sg Web site www.jtb.com

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FAX: 65337029 (Not for service of Court documents)
EMAIL: mail@hhp.com.sg

FACSIMILE

To :	M/s Joseph Tan Jude Benny (Fax: 225 7827)	Date :	21 August 2007
Attention :	Mr Gerald Yee	From :	R Srivathsan
Your Ref :	2006155418JB/SA/hh	Our Ref :	RS/47527/2005
cc :	Mr Sarosh Zaiwalla (+ 44 207404 9473) Mr Clive Aston (+ 44 207064 1633)	Total Pages :	1 (including this page)

IMMEDIATE ATTENTION

MV "PRESTIGIOUS"

We refer to the above matter.

It has come to our clients' attention that your clients have commenced proceedings in the United States District Court Southern District of New York (Index No. 07 Civ 7101) on 9th August 2007 with a view to obtaining security from our client for your client's alleged claims. We are instructed that your client has also served garnishee orders on various banks in the US.

Our client was not given or served with prior notice of the steps taken by your client in New York and indeed they have not been served with any papers filed in New York.

Our client is of the view that your clients' actions are in clear violation of the on-going arbitration proceedings and the agreement to refer all disputes to arbitration. At no point in time did our clients indicate that they would not abide by the arbitration proceedings or that they would not abide by any award made in the arbitration.

Your client's actions have severely disrupted our client's business as a consequence of which our client has suffered severe losses.

Our client is of the view that your client's actions are wrong and an abuse of the terms of the arbitration agreement pursuant to which all disputes have been referred to arbitration in London.

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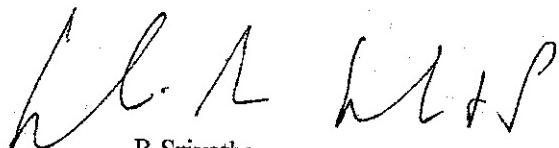
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Page 2

We are instructed and do hereby put your client on notice that if the action commenced by your client and the garnishee order obtained by your client in New York are not discontinued/discharged unconditionally forthwith, our clients will take all steps necessary at their disposal to recover their losses against your clients

In the meantime, all our client's rights are expressly reserved.

Regards



R Srivathsan

Writer's DID: 62301118

Writer's Email: srivathsan@hhp.com.sg

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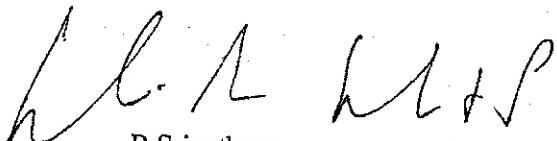
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In the meantime, all our client's rights are expressly reserved.

Regards



R Srivathsan

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FACSIMILE

To : Joseph Tan Jude Benny (Fax: 62257827)	Date : 24 August 2007
Attention : Mr Gerald Yee/Sue Ann Gan	From : R Srivathsan
Your Ref : 2006155418JB/SA/hh	Our Ref : RS/47527/2005/sz
Cc : Clients	Total Pages : 1 (including this page)

WITHOUT PREJUDICE

MV PRESTIGIOUS NOW KNOWN AS MV VICTORY 2

We refer to the discussions between your Mr Gerald Yee and the undersigned yesterday and this morning.

As spoken, the parties have agreed to a suspension ("moratorium") of further steps in the New York action brought by your clients to give the parties time to attempt a resolution of the disputes.

Towards this end, your clients have agreed not to serve any further garnishee or attachment orders on the banks in the US. To make this step meaningful, our clients' US lawyers advise that your clients' US lawyers must write to the banks on whom orders have already been served to confirm that your clients consent to funds being processed and transactions being allowed to proceed uninhibited through these banks with effect from today and during the moratorium notwithstanding the earlier service of the garnishee order. We understand from our discussion this morning that your clients' US lawyers have written to the Banks in the US to convey this agreed position. Please forward to us a copy of these instructions from your clients' US lawyers to the Banks in the US.

In return, our clients will not take steps to set aside the attachment order pending discussions between the parties.

Please confirm the above by return fax. As regards the proposed meeting between the parties, our clients are free to meet on Tuesday or Wednesday of next week at 2 pm in our offices. Please confirm.

Regards



R Srivathsan
Writer's DID: 62301180
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JOSEPH TAN JUDE BENNY
ADVOCATES & SOLICITORS

5 Shenton Way
#35-01 UIC Building
Singapore 068808
Tel (65) 6220 9388
Fax (65) 6225 7827



FAX TRANSMISSION

Date: 29 August, 2007 Your Ref: RS/47527/2005/sz
No. of Pages: 1 Our Ref: 2006155418JB/SA/hh
To: M/s Haridass Ho & Partners
Attention: Mr. R. Srivathsan
Fax No: 6533 7029 Writer's Email:
From: Gerald Yee / Sue Ann Gan geraldyye@jtb.com/sueanngan@jtb.com
Re: MV PRESTIGIOUS NOW KNOWN AS "VICTORY 2"

This fax and the information it contains, which may be privileged and/or confidential, is for the use of the addressee(s) only. The unauthorised use, disclosure or copying of this fax or such information is strictly prohibited. If you are not the addressee and are in possession of this fax (or any copy) without consent of any addressee, please notify us immediately by telephone (65) 6220 9388 and return this fax and any copies to us as soon as possible.

Dear Sirs,

We refer to our telephone conversation this morning.

We have taken our clients' instructions regarding an alternative time for the parties to meet on a without prejudice basis. We are instructed that our clients are reluctant to meet with your clients as they have some reservations whether such meeting will be fruitful in reaching a settlement unless and until your clients have given a settlement proposal for our clients to consider.

Our clients are of the view that a settlement proposal from your clients will be a good starting point for settlement discussions to "kick off". This will also enable both parties to reach an expeditious amicable settlement on the best terms possible.

We should therefore be grateful to hear from you on any proposal for settlement from your clients before we are able to revert on the without prejudice meeting between our clients.

Regards,

Gerald Yee / Sue Ann Gan

cc clients

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To : Joseph Tan Jude Benny (Fax: 62257827)	Date : 30 August 2007
Attention : Mr Gerald Yee/Sue Ann Gan	From : R Srivathsan
Your Ref : 2006155418JB/SA/hh	Our Ref : RS/47527/2005/sz
Cc : Clients	Total Pages : 1 (including this page)

WITHOUT PREJUDICE

MV PRESTIGIOUS NOW KNOWN AS MV VICTORY 2

We refer to your fax dated 29th August 2007.

Your clients' position is disappointing to say the least especially after meetings were scheduled this week and we and our clients were actually on the way to meet with you and your clients yesterday morning.

In as much as your clients have now asked our clients to make a proposal, we note that your clients themselves have thus far not seen fit to put forward a proposal.

Notwithstanding this, we are taking our clients instructions on your fax and will revert. In the event that we are only able to reply later today or tomorrow morning, please confirm that the "cooling off" period is extended to and includes Monday, 3rd September 2007. This additional time may be required as one of our clients' Directors is now overseas and will only return over the weekend.

I Regards

R Srivathsan
Writer's DID: 62301180
Writer's Email: srivathsan@hhp.com.sg

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JOSEPH TAN JUDE BENNY
ADVOCATES & SOLICITORS



5 Shenton Way
#35-01 UIC Building
Singapore 068808
Tel (65) 6220 9388
Fax (65) 6225 7827

WITHOUT PREJUDICE

FAX TRANSMISSION

Date:	30 August, 2007	Your Ref:	RS/47527/2005/sz
No. of Pages: (including this sheet)	1	Our Ref :	2006155418JB/SA/hh
To:	M/s Haridass Ho & Partners		
Attention:	Mr. R. Srivathsan		
Fax No:	6533 7029	Writer's Email:	geraldyee@jtb.com/sueanngan@jtb.com
From:	Gerald Yee / Sue Ann Gan		
Re:	MV PRESTIGIOUS NOW KNOWN AS "VICTORY 2"		

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We refer to your fax of 29th August 2007.

As mentioned in our fax to you, our clients take the view that a meeting between them and your clients without any proposal from your clients for them to consider prior to the meeting would unlikely be a fruitful one. Our clients find your 3rd paragraph surprising in the least since as claimants, our clients would clearly want their full claim, legal expenses and costs to be paid by your clients, and would want to see what your clients', the respondent, proposal would be.

Notwithstanding this, our clients are prepared to put forward their proposal for your clients to revert. We are instructed that our clients are prepared to agree to full and final settlement of their claim against yours at USD 1,530,000.00, representing about 80% of their claim, with each party bearing their own legal costs.

We are also instructed that our clients do not agree to an extension of the "cooling off" period. For the avoidance of doubt, the "cooling off" period ends today, 30th August 2007, and our clients' US attorney will be instructed accordingly.

Please revert with your clients' consent to our clients' proposal.

Regards,

Gerald Yee / Sue Ann Gan

cc: clients

Email jibs@singnet.com.sg Web site www.jjb.com

After Office Hours : (65) 9759 3856

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FAX: 65337029 (Not for service of Court documents)
email: mail@hhp.com.sg

FACSIMILE

To : Joseph Tan Jude Benny (Fax: 62257827) Date : 31 August 2007
Attention : Mr Gerald Yee/Sue Ann Gan From : R Srivathsan
Your Ref : 2006155418JB/SA/hh Our Ref : RS/47527/2005/sz
Cc : Clients Total Pages : 1 (including this page)

WITHOUT PREJUDICE

MV PRESTIGIOUS NOW KNOWN AS MV VICTORY 2

We refer to your fax dated today.

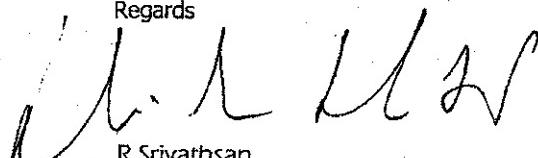
For the record, we note that it was your clients who cancelled a scheduled meeting on 29th August 2007 and thereafter called into question the wisdom of a meeting and insisted upon our clients' first putting forward a proposal.

Further, our clients' request to extend the "cooling off" by a mere 3 days was flatly refused without an explanation. In your fax dated 30th August 2007, you also unequivocally stated that the "cooling off" period would end on 30th August 2007 and that your clients US lawyers "would be instructed accordingly".

In the circumstances, your clients' allegations in your fax of today are misplaced and our clients have acted within their rights to protect their interests.

All your clients' rights are expressly reserved, including their right to disclose this fax before the appropriate forum if necessary.

Regards



R Srivathsan
Writer's DID: 62301180
Writer's Email: srivathsan@hhp.com.sg

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FAX TRANSMISSION

Date:	31 August, 2007	Your Ref:	RS/47527/2005/sz
No. of Pages: (including this cover)	1	Our Ref :	2006155418JB/SA/hh
To:	M/s Haridass Ho & Partners		
Attention:	Mr. R. Srivathsan		
Fax No:	6533 7029	Writer's Email:	
From:	Gerald Yee / Sue Ann Gan	geraldyee@jtb.com/sueanngan@jtb.com	
Re:	MV PRESTIGIOUS NOW KNOWN AS "VICTORY 2"		

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We refer to the above matter.

We are informed by our clients' US attorneys that your clients' US attorneys have filed and served papers in support of a motion to vacate the attachment ahead of the lifting of the moratorium when the moratorium remained in force. We are disappointed that your clients have breached the agreement made that your clients shall not take steps to set aside the attachment order in consideration of our clients not serving further garnishee or attachment orders on the banks in the USA.

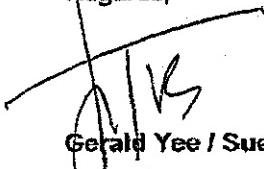
Your clients are fully aware from our clients' instructions to their US attorneys, which was copied to you, with regards to the moratorium, as seen in our fax of 24th August 2007.

We will take the necessary steps in the protection of our clients' interests without further reference to you.

For the avoidance of doubt, please treat this as an open correspondence.

All our clients' rights are expressly reserved.

Regards,


Gerald Yee / Sue Ann Gan

cc: clients

